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Second country cooperation framework for Suriname (2002-2006)*

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* The collection and analysis of current data required to present the Executive Board with the most up-to-date information has delayed submission of the present document.

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Introduction

1. The first country cooperation framework (CCF) for the Republic of Suriname covered the period 1999–2001. A common country assessment (CCA) was prepared by selected United Nations agencies operating in Suriname and completed in March 1999, based on which the United Nations Development Assistance Framework (UNDAF) was developed in the course of 2001 and approved by Government in the following year. In July 2001, a country review mission team, in coordination with a Government counterpart group, undertook a country review in order to assess progress and results achieved and constraints encountered under the first CCF.

2. This second CCF reflects a consultative process involving UNDP and the Government of Suriname, along with United Nations agencies, civil society organizations, bilateral and multilateral donors and development partners. It draws on the findings of the country review, and on the consultative process leading to the development of the UNDAF for the period 2001–2005. This CCF is also in line with national priorities, as expressed in Government's Multi-Annual Development Plan 2001–2006 (MOP) approved by the National Assembly.

I. Situation analysis

3. The Republic of Suriname is recovering from a long period of political and economic instability. The current Government, elected in 2000 for a five year period, has succeeded in returning the country to a degree of economic stability, thanks to a strict ban on loan financing, policies to ensure sufficient coverage of the Surinamese guilder, strict budgetary discipline and maintenance of a free-floating exchange rate. Realignment of foreign debt has been achieved. Poverty remains a major problem, however, with estimates of 52.4 per cent of households and 59.24 per cent of the population classified as poor[1].

4. The MOP for the period 2001–2006, seeks to achieve sustainable economic growth, poverty reduction and improvement in the standard of living through increased productivity, facilitated by an enabling policy environment that includes a recently adopted investment law; autonomous and market-oriented functioning of state and para-statal enterprises; increased access to productive land; a more efficient public sector; improvement of financing opportunities; the provision of credit for small entrepreneurs and training and upgrading of skills. In the implementation of the MOP special attention will be paid to vulnerable groups, the promotion of broad participatory approaches, gender mainstreaming, environmental considerations and timely evaluation and monitoring of policy measures.

5. Much of Suriname's economy is dependent on the traditional resource based industries particularly in bauxite, oil and gold and to a lesser extent on fishing, agriculture and logging. In recent years, there has been a notable shift in emphasis towards small and medium enterprises in non-traditional export sectors such as tourism, tropical flowers, fruits and handicrafts. Eco-tourism also appears to be a major focus of activity for future years. Environmental and sustainability concerns have become a priority for Suriname. Environmental management structures have been revised and environmental framework legislation is in the process of development. In addition, there is increased interest and action by Government and the private sector in ensuring sustainable use of natural resources and in meeting international sustainability and quality standards and certification.

6. A major challenge for Suriname lies in the reform of the public sector, in which some 43 per cent of the total work force is employed. Government is committed to undertaking a number of structural improvements in the functioning of the public sector, as expressed explicitly in the Declaration of Government for the period 2000–2005 and in the MOP.

7. Effective participation in regional and global trade is another important development issue for Suriname. Suriname is a member state of the Caribbean Community and Common Market (CARICOM) and is actively engaged in negotiations for the establishment of the Free Trade Area of the Americas (FTAA) in 2005. It is also a party to the ACP-EU Cotonou Agreement. Capacity strengthening is urgently needed for the public and private sectors in order for them to be able to respond effectively to changes and challenges resulting from these agreements.

8. Strengthening the country's legislature, updating and upgrading existing legislation and the provision of training in parliamentary procedures are other major concerns. It is recognized that in order to ensure continued smooth functioning of Suriname's principal governance institution, capacity must be built and procedures updated. Training needs to be provided to elected representatives of the

[1] Based on consumption as indicator – General Bureau of Statistics; May 2001

national assembly and systems put in place in order to strengthen its budget and oversight functions.

9. Development cooperation between Suriname and various development partners and donors is undergoing change, notably in the direction of programme assistance and longer term budget support. In particular, cooperation with the Netherlands, traditionally Suriname's largest source of grant development assistance, has changed significantly with the introduction in 2000 of a sectoral approach. This is focused on programme and budgetary support in six agreed sectors, namely: health; education; housing; agriculture; governance; and environment. This approach requires the conduct of sector analyses, in order to define priorities, linkages to the overall development objectives and interrelation with other sectors. This change has important implications for other development partners in terms of a more careful choice of priority areas and activities of support, and strategic assessment of the comparative advantage for each within the identified sectors of cooperation between Suriname and the Netherlands.

10. Another development challenge is the alarming rise in HIV/AIDS prevalence. In the year 2000, a cumulative total of 1 511 infected persons were registered. The incidence of new HIV/AIDS cases has increased sharply from 73 new cases in 1993 to 279 new cases in 2000, with a male/female ratio of approximately 1:1.[2] In 1999, AIDS was the second leading cause of death in both males and females in the 15–44 age group.[3] Decreased access to health care, an education system with high dropout rates and low results, rise in crime, drug trafficking and abuse and land right disputes with the indigenous Amerindian and tribal Maroon populations of the interior of Suriname, are additional significant risks to the development potential of the country.

II. Past cooperation and lessons learned

11. The areas of focus for the first CCF were: (a) Creating an Enabling Environment for Sound Governance; (b) Strengthening Capacity for Social Development and Poverty Eradication; and (c) Strengthening Capacity for Environmental Management and Sustainable Development. UNDP has been able to double the total core and non-core target resources estimated for proposed programme in the 1999-2001 CCF period – the target for resource mobilization was $5 598 000 while $11 674 000 was raised, of which a major amount is funded by the Global Environmental Facility (GEF).

12. Key results have been achieved in all three areas of the CCF. In the governance area, UNDP successfully executed, in joint collaboration with the Government, the European Union and the Inter-American Development Bank (IDB), a project in support of the democratic process in Suriname by means of technical assistance to, and monitoring of, the 2000 national parliamentary elections. Key factors of success in this project were UNDP's neutrality and its efficiency of execution in spite of time and financial constraints. The outcome contributed significantly to Government's appreciation of UNDP's support. Support has been provided also for voter registration as well as civil society micro-projects on voter education and democratic governance. The Government in collaboration with UNDP conducted a national poverty assessment and elaborated the Suriname Poverty Reduction Plan, from which emerged the MOP. The second CCF will build on these results through monitoring of the implementation of the MOP and the Poverty Plan, as a tool for effecting policy adjustment. Another key result of the past CCF period has been the successful development and implementation of a significant GEF/United Nations Foundation (UNF) funded biodiversity conservation project aimed at capacity and institutional strengthening of environmental policy and management structures in Suriname. As a result of this project, environmental and sustainable development considerations are increasingly being included in policy making and management practices nationally.

13. While the country review report recognized the usefulness of projects implemented under the first CCF, it nevertheless noted that only half of these were considered relevant to the goals of the CCF. The review recommended a more programmatic approach with tighter formulation of projects in order to bring about better linkages to the CCF. At the same time, past cooperation has demonstrated the need for flexible approaches in programme and project planning, leaving room for responding to the needs and taking into account changing priorities of the country. A well-appreciated project has been the 'Umbrella Project for Advisory Services', which provided for a flexible and speedy approach to capacity strengthening needs of Suriname with respect to advisory services for policy formulation.

[2] Draft Situation and Response Analysis on HIV/AIDS in Suriname, January 2002

[3] Ministry of Health, Leading Causes of Death in Suriname 1997-1999

14. Another lesson learned is that the contribution of UNDP in supporting national development undertakings should be made more visible in terms of strategic results. The general public also needs to be given a greater understanding of UNDP's support. Furthermore, more emphasis must be placed on the potential for the mobilization of resources for implementation of the country's development programme.

III. Proposed programme

15. For the CCF period, 2002–2006, four thematic focus areas have been identified as key areas for UNDP support: (a) poverty reduction and policy development; (b) democratic governance; (c) environmental management and sustainable development and (d) HIV/AIDS prevention and impact mitigation. These areas are the same as those articulated in the UNDAF for the period 2002–2005, with the exception of democratic governance, which is treated as a crosscutting theme. UNDP as a trusted, neutral and reliable partner has at its disposal an extensive knowledge base and global experience to draw from in each of the programme areas. In doing so, the existing relations with government, as well as with other development agencies and civil society, including the private sector, will be maintained intensively in order to build synergies, avoid duplication of effort and make optimal use of available resources.

16. The programme areas selected are fully in line with the country's priorities as identified in the MOP for 2001–2005 and the Declaration of Government for the period 2000–2005. Support will focus on upstream policy advice, capacity and institutional strengthening, and leveraging of the potential for coordination and mobilization of the necessary resources.

17. This support will contribute, directly and indirectly, to the achievement of several of the Millennium development goals and targets, more specifically those on poverty eradication, HIV/AIDS, environmental sustainability and gender equality. It is Government's intention to link the monitoring of the MOP intimately to monitoring of achievement of the millennium development goals, and to achieve a harmonization of the monitoring system with the human development index.

18. In addition and closely linked to the thematic areas, UNDP's cooperation with Suriname will be supported by projects under the UNDP GEF Small Grants Programme (SGP), which focus on local community projects regarding sustainable use and/or conservation activities that have a global significance. The United Nations Volunteers programme (UNV) which aims at capacity strengthening at the national level, using national and international experts, and at the promotion of volunteerism as an important development mechanism will continue to be utilized. Strategic linkages between these programmes will continuously be pursued in order to promote greater complementarity of financing and substantive focus. Likewise, UNVs will be deployed as much as possible within the thematic focus areas, while programming in these areas will take into account also possible financial complementarity.

19. Gender equality and empowerment of women, as well as increased effective participation of women in UNDP supported activities will be guiding principles in the implementation of this CCF. Gender mainstreaming in project and programme design and activities will be pursued, placing emphasis on strengthening the capacity of women to participate in the development process and on bringing to the forefront their positive and crucial contributions to development in Suriname.

A. National development policy and poverty reduction

20. In the area of poverty reduction and policy development, UNDP will support the implementation of the Suriname Poverty Reduction Plan. Special focus in doing so will lie in monitoring of key poverty indicators. The monitoring system will link to, and be used in Government's overall development plan as a tool for policy formulation and adjustment. Emphasis will be placed on capacity strengthening of all involved sectors to set up an effective monitoring system and have the corresponding data gathering methods and structures in place. Moreover, capacity strengthening will also focus on achieving a thorough understanding of, and dealing efficiently with, the sectoral approach in development cooperation. It will also provide assistance to the actual development and implementation of sectoral plans and programmes mainly through skills training and retooling. The poverty programme will thus strategically address some root causes of poverty in Suriname, undertake an assessment of and address weakness in policy development and improve monitoring and adjustment based on substantive data.

21. Within the area of poverty reduction, emphasis will also be placed on trade issues, more specifically the support to the assessment of implications on Suriname of regional and international trade agreements, including the CARICOM single market and economy, Free Trade Area of the Americas and the ACP/EU Cotonou Agreement and subsequent implementation of the recommendations of this assessment. Support to strengthening the production and export potential of small and medium-sized enterprises will be another strategic area under this programme.

22. The poverty programme will be linked closely with other thematic focus areas and with the MOP. Poverty eradication policies and measures to be pursued under this programme will take account of initiatives in environment and sustainable development, democratic governance and the impact of HIV/AIDS. Throughout the programming and implementation of these support activities, appropriate consideration will be given to gender mainstreaming. In the partnership strategy to be employed, special attention will be paid to a broad participatory process, involving as many as possible key line ministries and institutions and civil society, particularly including private sector, non-governmental organizations and local communities in the interior.

B. Democratic governance

23. The governance programme in this CCF period will focus on two main areas: public sector reform (PSR) and legislative and parliamentary strengthening. Although there is widespread agreement that public sector reform is a priority issue, there is also much discussion on the content and implementation strategy of a public sector reform programme. UNDP's initial assistance will consist of support to the consultative development of a strategic plan for PSR. The process leading to the elaboration of this strategic plan will in itself bring up fundamental discussions on, and understanding of the role of the public sector in Suriname's development and thus be beneficial to further policy development. Further assistance will then be provided for the effective implementation of that plan. UNDP will utilize its strategic dialogue and consensus building approach in ensuring full national support for and ownership of this process and its successful outcome, in collaboration with the IDB and other development partners.

24. Support will be provided for the updating and upgrading of existing key legislation, the improvement of parliamentary procedures, particularly the promotion of greater interface between the work of this institution and the electorate, so as to enhance the accountability of elected representatives, as well as strengthening of budget and financial oversight functions of legislative and representative bodies. This will be achieved, *inter alia*, by conducting a substantive training programme, the review of current legislative procedures and the establishment of knowledge networks. The expected results will be a substantial improvement in the performance of the national assembly and of elected deputies, a clearer and more effective legislative framework and a significant contribution to the involvement of the public in the development of laws and policies.

25. The governance area will require broad participatory approaches for the outcomes to be supported and sustainable. Close collaboration will be sought with existing structures and mechanisms such as the recently established Socio-Economic Council, labor unions, NGO umbrella organizations and women's networks, among others. Since several organizations and agencies have expressed their interest in supporting issues of democratic governance and particularly public sector reform, close cooperation and coordination with these agencies and organizations will be another major factor of success. Partnerships will be built with a number of these and other organizations with relevant experiences and expertise, such as the Caribbean Centre for Development Administration, the World Bank and the National Democratic Institute in the implementation of this programme.

C. Environment and energy

26. In the environment and sustainable development programme area, support will be continued for the implementation of the approved project 'Conservation of Globally Significant Ecosystems in the Guyana Shield of Suriname'. This is supported by GEF, the UNF, World Wide Fund for Nature (WWF), Conservation International and UNDP. After successful establishment of the Suriname Conservation Foundation (SCF) as part of the project, emphasis in this CCF period will be placed on the development of environmental management plans for protected areas, initially for one of the world's largest protected areas, the Central Suriname Nature Reserve, and the Sipaliwini Nature Reserve.

27. The environment portfolio of UNDP will be expanded to include coastal zone management, the analysis of the non-urban environment sector and Guyana Shield

biodiversity conservation initiatives involving Suriname and neighboring countries. Important partners in these exercises will be, among others, WWF, Conservation International and the Guiana Shield Initiative (GSI) of the Netherlands Committee of IUCN/World Conservation Union.

28. The focus on policy development in this programme will be of crucial importance, given Suriname's increasingly higher international profile as a country of outstanding natural assets and cultural heritage, as well as its global interests related to sound management of the natural environment. UNDP will support the government's approach to management of this sector within the context of the interactions between the ecosystems and the Suriname society through the integration of environmental concerns and the sound management of renewable and non-renewable natural resources. During this programme period, the organization will also continue its support for the preparations and follow-up of actions related to the World Summit on Sustainable Development (WSSD), as well as assisting Suriname in meeting its reporting and other obligations under various international environmental conventions.

D. HIV/AIDS

29. Concerted action against the HIV/AIDS epidemic in Suriname has been pursued, *inter alia*, through the establishment and coordination of the United Nations theme group on HIV/AIDS in which many social partners participate and the implementation of activities under the first and second phase of the Programme Acceleration Funds (PAF-I and PAF-II). A major output has been the development of a situation and response analysis report. Activities in this thematic area in the second CCF period will focus on technical assistance in (i) the implementation of PAF II project activities that target issues such as legislative assessment, support to anti-discrimination and stigmatization and participation of people living with HIV/AIDS in the national policy response; and (ii) the development of a multi-sectoral national strategic plan for HIV/AIDS prevention and impact mitigation, followed by implementation of the plan and assistance for resource mobilization. In addition, UNDP, UNAIDS and UNV will continue the ongoing support, in coordination with the theme group on HIV/AIDS, to the greater involvement of people living with AIDS (GIPA) initiative. The outcomes of these interventions are significant in curtailing this development threat to Suriname, where AIDS is already the second leading cause of death for the most productive age group (15-44 year), among whom women are disproportionately affected.

IV. Programme management, monitoring and evaluation

30. The Government of Suriname and the UNDP country office will jointly monitor the implementation of the second CCF with the main objective of assessing the effectiveness of UNDP's assistance to the country. To this end, UNDP will develop results-oriented annual reports (ROAR) and organize, in collaboration with the main counterparts and consistent with targets established in UNDP's strategic results framework (SRF), annual programme and project reviews and at least one outcome evaluation during the CCF period. Monitoring will be closely linked to the monitoring of the UNDAF in order to provide for practical linkages and optimal use of available human and logistic resources. The country office will be responsible for day-to-day oversight and coordination of the implementation of the CCF, in consultation with the primary national counterpart, the Ministry of Planning and Development Cooperation, the various implementing agencies and the Ministry of Foreign Affairs.

31. National Execution will remain, as in the past, the preferred modality of programme implementation. To this end, relevant training in this modality will continue to be provided by UNDP. Project reviews and audits will continue to be standard practice in the implementation of this programme. In addition, technical advice will be sought by the newly re-profiled country office, from the UNDP SURF system and the Knowledge Network of the Bureau for Development Policy (BDP) to ensure adherence to a high standard of sound policy advice provided to Government.

32. The programme areas outlined in this CCF will require substantial resources, beyond the limited core resources available through UNDP, as well as partnership for their coherent and sustained implementation. Partnership strategies have been indicated under each programme area, which will also serve to focus resource mobilization efforts. Specifically, the Government of Suriname will engage with UNDP to mobilize additional resources from traditional bi-lateral sources, international financial institutions, as well as various UNDP, UN system and donor windows for the implementation of programmes under the CCF.

Annex

Resource mobilization target table for Suriname (2002-2006)

Source	*Amount (In thousands of United States dollars)*	*Comments*
UNDP regular resources		
Estimated carry-over	876	Indicate carry-over of TRAC 1, TRAC 2 and the earlier AOS allocations.
TRAC 1.1.1	323	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	14	
Subtotal	**1 213**[a]	
UNDP other resources		
Government cost-sharing	8 600	
Third-party cost-sharing	6 700	
Funds, trust funds and other	4 850	
	of which:	
GEF	4 500	
Capacity 21	200	
UNAIDS/PAF	150	
Subtotal	**20 150**	
Grand total	**21 363**[a]	

a/ Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.
Abbreviations: GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; UNAIDS/PAF = Joint United Nations Programme on HIV/AIDS / Programme Acceleration Fund.